3 September 1982 1115

NOTE FOR THE DCI

SUBJECT: Morning Developments

<u>Lebanon</u>	
Lebanese officials this morning informed Ambassador Dillon that the Israeli's are advancing in the St. Michel area of Beirut's southern suburbs and have deployed troops around the Kuwait Embassy hill.	25X1
An IDF liaison officer informed Dillon that the IDF is temporarily moving to the vicinity of Sport City to protect LAF mine-clearing operations.	25 X 1
The French MNF commander confirmed that a French Lieutenant Colonel was killed in Beirut today by a single bullet that entered a window in his office in the Ilmac building. The Commander believes that the death resulted from Palestinian anxiety over Israeli troop movements in the area.	25X ²
Ambassador Dillon reports that during a brief meeting with Secretary Weinberger on Wednesday, President-elect Jumayyil stated that he wished to establish a "strategic connection" with Washington and be "part of the Western defense arrangement." Jumayyil offered the US use of Lebanese airspace and coastal facilities.	25X1
The US Embassy in Beirut reports that the Lebanese Government has agreed to allow a small PLO liaison office headed by Shafiq Al-hut to remain in operation on the Cor Niche Al'mazra until Bashir Jumayyil's inauguration on 23 September. A Western diplomat indicated tha Al-hut yesterday said the PLO has no intention of using Lebanon as a base for future operations and also implied that the Palestinians do not expect to have forces in the Bekaa or north Lebanon "much longer."	25 X 2
The US Embassy in Beirut has received an unconfirmed report that American University President Dodge was moved out of the Lebanese capital into the Bekaa Valley with a Syrian Army convoy on 31 August and is now in the village of Janta on the Syrian border. According to the US Embassy in Rome, Ambassador Habib has	25X 1
SECRET	25 X 1

recommended that the US Marine contingent depart Beirut on or about 10 September, and plans to make a final decision on the withdrawal next Monday. Habib also expects the Italian NMF contingent to leave at the same time.	25X1
PLO/Tunisia Arafat is expected to arrive in Tunis this afternoon to	
attend a meeting of the PLO Executive Committee.	25X1
Poland	
French press sources report that violent clashes between Solidarity supporters and the militia continued this morning in Lubin for the fourth consecutive day. The sources also said that security forces have sealed all entrances to the city.	
Partirity threes have sealed all entrances to the croy.	25X1
reports that a secret pro-Solidarity underground organization is being formed in the Katowice area.	25X1
also reports that the PZPR will conduct meetings in 207 key factories between 7-17 September to discuss a "three year	25X1
plan for stabilization of the economy."	25X1
	2 5X1

Italy/USSR/US

Ambassador Rabb reports that there are new indications Italy may not sign the gas purchase agreement with the Soviets by Moscow's 30 September deadline or approve--at least in the "near term"--additional equipment contracts for the Siberian pipeline. The Minister of Foreign Affairs Energy Coordinator told the Embassy that the Soviet agreement will be rejected, in part, in hopes that Washington will be lenient in its imposition of sanctions against NVOVO PIGNONE's transfer of turbines to the USSR.

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